

Massachusetts Growth Capital Corporation

Fiscal 2014

Economic Development Business Plan



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Mission statement

The Mission of the Massachusetts Growth Capital Corporation is to foster the **creation and preservation of jobs** in small businesses, in women and minority-owned firms, and through the promotion of economic development in underserved, gateway municipalities as well as other low and moderate-income communities throughout the state.

MGCC provides a central resource at the state level that offers working capital loans, guarantees and targeted technical assistance to solve specific financial and operational problems.

To fulfill its mission, MGCC works with traditional financial institutions, non-bank lenders, community development corporations and other non-profits to provide financing for job-producing projects. MGCC also makes loans to firms in which there are no other lenders to improve their capacity to receive traditional financing.

MGCC seeks to strengthen the existing network of micro lenders across the state to ensure that all levels of financing requirements are addressed. Additionally, MGCC manages competitive grant programs that provide training and technical assistance to small businesses, including small contractors.

Business Plan Summary – The following table summarizes objectives, programs, and initiatives planned for FY14 and performance measurements by which to evaluate progress.

Goals	Strategy	Performance Measurement
Prioritize lending to meet market needs of small businesses and re-cycle capital	Refine lending offered to provide shorter term facilities, more use of guarantees, and more strategic working capital solutions	Annual loan repayment % increase from 7 % to 9 %
Continue strengthening network of micro-lenders statewide	Provide underwriting and portfolio management technical assistance to intermediaries.	Hold micro loans to intermediaries to \$1,000,000. Increase T.A. by 50 %
Have 2 or more “Tools to Grow” companies financed and growing as projected.	Closely monitor consulting results with all companies in program to accelerate timing	Highlight 2 or more companies in program beginning to grow at an annual rate over 10%
Increase the number of banks with which MGCC participates to stimulate more bank loans	Call on banks with which MGCC has not yet participated or with which we have only done 1 loan	Increase number of participating banks from 43 to 58 or 35 % increase
Ensure management assistance capability is known to participating lenders and borrowers	Create summary brochure regarding policy and types of management assistance provided	Increase number of companies assisted from 25 to 40 or 60 % increase